

Lancelot Shores Improvement Association
Spring Meeting, May 21, 2016
Beach 2, 9:00 AM

Attendance: All board members, many LSIA members, LSIA Attorney Robert Ducharme - Guest Speaker

Quorum: 95 votes represented as reported by LSIA clerk, Quorum established -refer to voting records for confirmation

Approval of minutes: LSIA President, Dave Forslind, opened the meeting with the Pledge of Allegiance and a review of Fall 2015 meeting minutes. Motion made and seconded to approve August 30, 2015 meeting minutes. The fall meeting quorum numbers were disputed.

Attorney Ducharme asked to speak to the association members.

Summary of presentation and discussion with Atty. Ducharme:

- Bylaws regarding the establishment of Quorum were read by attorney
- To meet Quorum -75 members must be represented
- Expenditure of money - 75 minimum quorum/ and need 2/3 votes to pass
- Other votes require simple majority after quorum is met

- Attorney DuCharme is a Condominium Law/ HOA lawyer

- LSIA Covenants in the original book state 300 shares were established; only 223 of the shares were sold and disbursed according to Clerk. Verification of clerk records needed for confirmation.

- 25% of 300 is 75 members required to establish a quorum

- Attorneys job is to guide BOD and solve problems

- Attorney does not represent the board or individuals, he represents the entire community

- prior meeting was not a valid meeting, must vote for a new board, 3 or 5 members on the BOD is standard, atty. recommends 5

- 2/3 of all 300 shares needed to change laws and documents

- BOD makes financial decision, operates to maintain and increase property value

- Tentindo v. Locke Lake Colony Association, 1980 caselaw: Regardless of intent or amount, if any owner of any lot at any point in time/history has paid dues, that lot from that time forward, shall be required to continue to pay dues. It "runs with the land". So, any future owners of the land must also pay the attached dues.

- 2 lots have never paid dues and are considered exempt. They have rights under the covenant but not bylaws. Therefore, they are not entitled to use beaches because beaches are only mentioned in the bylaws.

- Delinquent members should be offered payment plans.

- Deeds gave beach rights but rights to beaches were already given away in 1965 by Great Northern in the covenants.

- Liens cannot be placed on property for not paying dues unless it is companion to a lawsuit. \$175 file fee

- \$2,500 fee to assist with new bylaws, members must have notice of meeting, 2/3 of all shares by ballot needed to pass bylaws

- The association may go back 3 years to collect past due's. Judge will not likely award legal fees unless its stated in bylaws that the member must pay legal fees. LSIA bylaws do not state member pays legal fees.
- Cannot name people, do not publicly shame people, no dunning list, may use lot number but cannot go after them, not for profit
- HOA should not file as a not for profit under Secretary of State, HOA's are set up by covenants under RSA 292, HOA's do not have to be/should not be a corporation, HOA is a not for profit but it's not a charitable not for profit, covenants run with the land not by statute as is with a corporation by Secretary of State, atty. recommended to dissolve & not to continue to file with Secretary of State as a corporation
- Great northern filed documents, covenants giving the land but covenants did not include bylaws.
- LSIA bylaws are good but could be better.
- Should board members be available to answer questions when you call? Answer: no they are volunteers.
- Covenants expired after 50 years, there is a rule against perpetuity. What is the consequence? They continue anyway but the covenant should be renewed. HOA would need to consult with a land use lawyer. He can recommend one.
- Last 3 lots in the development are covered by easement laws. But, if they do not have shares they are not a part of the association and cannot vote. Even though they are not part of the LSIA they must still contribute financially to maintenance of the easement.
- Although we do not need to be a corporation we must still file taxes as an entity at the end of the calendar year. We are a not for profit and should not pay tax on dues collected. We do need to pay tax on interest. Money left over at the end of the year should be rolled over into the following year, it's not considered profit and should not be taxed.

Secretary left a meeting for a family obligation. LSIA Treasure was asked to continue notes.

Above meeting minutes respectfully submitted by LSIA Secretary, Laura Zaia

- As quorum from previous Fall 2015 member meeting was challenged so was the election of the current board of directors. First, new board members would be elected and secondly, their position by majority vote.
- Motion made to keep a five member board, motion seconded and passed.
- Existing members, Dave Forslind nominated himself, Kevin Joyce nominated himself, Jennifer Maclsaac nominated herself, John Morganti nominated himself. Community members, Lorraine Tessier volunteered and was nominated as well as Julie Anastas and Kathy Felton.
- Attorney Ducharme departs 10:58am, vote for board member positions by majority to continue after his departure. Of seven nominees, the two with the least amount of total votes would not continue for position selection.
- Kathy Felton, voted in as new president by majority with a total count of 70 votes.
- Kevin Joyce re-elected to vice president with a total count of 98 votes.
- Julie Anastas, voted in as treasurer by majority with a total count of 83 votes.
- John Morganti, re-elected as Clerk/Secretary with a total vote count of 82 votes.
- Dave Forslind, re-elected in newly created position of Road Chairman with a total vote count of 68.
- Lorraine Tessier and Jennifer Maclsaac had the least total votes and therefore rescinded for consideration.
- Meeting Adjourned 11:12am

Meeting Minutes respectfully submitted by LSIA Treasurer, Jennifer Maclsaac.